

## **Delaware Division of the Arts**

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# STARTUP PROGRAM Application Guidelines Fiscal Year 2018

The STARTUP program develops and strengthens the management capacity of emerging arts organizations while providing modest support for operating expenses. STARTUP serves as the gateway for emerging arts organizations to enter the Division's General Operating Support grant program.

## Eligibility

To be eligible for STARTUP, applicants must:

- Have the promotion, presentation, production, and/or teaching of the arts as their primary purpose as outlined in their charter, incorporation papers, bylaws, and IRS nonprofit determination letter.
- 2. Have a stable, functioning board of directors that meets at least quarterly.
- 3. Be based and chartered in Delaware as a nonprofit organization; exempt from federal income tax under Section 501(c)(3) or 501(c)(4) or 509(a) of the Internal Revenue Code; and eligible to receive donations allowable as charitable contributions under Section 170(c) of the Internal Revenue Code of 1954.
- 4. Have been providing continuous public arts programming for at least two years at the time of application.
- 5. Submit a "letter of interest" to the STARTUP <u>Program Coordinator</u> no later than January 31, 2017, and receive approval to apply, once eligibility has been confirmed.
- 6. Have total operating income of more than \$16,000 for the last completed fiscal year.

Please note the following restrictions:

- The Division will not accept applications through fiscal agents.
- No individual may compile or submit an application on behalf of an organization if that individual
  is a member or relative of a member of the Delaware State Arts Council or Division staff.

**New arts organizations** must successfully complete the Division of the Arts STARTUP program for emerging arts organizations before applying for General Operating Support, Education Resource, or Arts Stabilization Fund grants.

## **Board Support**

Because this program requires the full engagement of the board, organizations wishing to apply for STARTUP support are expected to review the STARTUP program guidelines at a board meeting and submit a copy of the minutes including the discussion and affirmative vote to participate in the program.

## **Grant Awards and Technical Support**

STARTUP funding consists of program support up to \$2,500 and a program of training classes and consulting with Delaware Alliance for Nonprofit Advancement (DANA). The program pairs the organization with a Standards for Excellence® Licensed Consultant to determine the needs of the organization, and then provides customized training for staff and board members to learn nationally-accepted best practices for nonprofit management. Topics covered may include: Vision, Mission, Strategy and Evaluation; Leadership: Board, Staff and Volunteers; Legal Compliance and Ethics; Finance and Operations; Resource Development and Fundraising; Public Awareness, Engagement and Advocacy. DANA will continue to work with members of the organization's board/staff for a period of time to guide them in their growth.

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# **STARTUP** Application Components

The STARTUP Application includes:

- An organizational profile
- A narrative (maximum four pages) addressing programming, artistic quality, availability and service to the community, and management
- A board list with contact information, board-designated responsibilities/committees, occupation/expertise, and # years of service
- A staff contact list
- A 2-year side-by-side budget comparison
- Financial reports for the most recently completed fiscal year IRS 990; treasurer's report, review statement, or audit (depending on organization's budget size)
- Board minutes indicating board approval to participate in the STARTUP program
- Support materials (up to three PDFs, JPGs, or URL addresses)

#### Note:

All materials submitted to the Division of the Arts during the grant application process are subject to public inspection upon request, in accordance with the Freedom of Information Act. Please redact any confidential information contained in financial documents and audits prior to submission.

### **Evaluation Criteria and Considerations**

The Division recognizes that STARTUP applicants face many challenges in their nascent stages. Nevertheless, in order to introduce emerging arts organizations to the rigor of public evaluation, the criteria listed below, which are used to evaluate established arts organizations, are used to evaluate STARTUP Support applications as well. A panel reviews the application, using a detailed scoring rubric.

Artistic Quality (40% of score)

- Artistic product, process, and/or service
- Interpretative materials and/or educational activities
- · Ingenuity, vitality, relevance
- Program evaluation

Availability of the Arts/Service to the Community (30% of score)

- Fulfillment of community needs

   (i.e., provides an artistic product/process/service not currently available)
- Audience development
- Outreach and collaboration

#### Management (30% of score)

- · Board/staff qualifications and governance
- Fiscal responsibility
- · Organizational evaluation

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# Expenses Eligible for STARTUP Support

Funding from STARTUP Support grants may be used to support most aspects of an arts organization's annual operating expenses (not including capital expenses), such as:

- · Artists' fees
- Administrative costs
- Contractual services
- Facilities operations (utilities, routine maintenance...)
- Marketing or publicity of events/activities
- Personnel (salaries, benefits...)
- Supplies and materials
- Expenses Not Eligible for STARTUP Support

Division funds may not be used for these expenses:

- Activities outside Delaware
- Activities for which academic credit is given
- Awards, donations or cash prizes
- Bad debt
- Building, renovating, or remodeling of facilities
- Capital expenditures and non-consumables valued over \$3,000
- Traditional circus performers and athletic activities
- Contingency funds
- Expenses incurred outside of the grant period

- Professional development (workshops, seminars, conferences, excluding creditearning post-secondary coursework)
- Technical costs
- Travel (domestic) and other operational expenses necessary to deliver arts programs and services
- Fundraising costs (capital/endowment campaigns)
- · Investments of any type
- Meals/refreshments
- Lobbying
- Private entertainment
- Projects restricted to exclusive participation or enjoyment
- Projects which have sectarian or religious purposes
- · Scholarships or research by individuals

## **Matching Funds**

STTRTUP grants are funded on a matching basis. Matching funds (1:1) must be cash and may not come from the National Endowment for the Arts. Other federal grant sources may be used as match in accordance with authorizing legislation.

## Grant-in-Aid

The Division of the Arts was created by the Delaware General Assembly to serve as the principal mechanism for supporting the arts in Delaware. Arts organizations seeking STARTUP Support from the state are expected to apply for support through the Division.

The Division will notify the Delaware Controller General's office and the General Assembly Joint Finance Committee of all organizations that apply to the Division for STARTUP Support. Any arts organization receiving support through other state mechanisms, including Grant-in-Aid, may see an impact in Division funding.

## **Grant Period**

Funding awarded in the FY2018 grant cycle must be spent on programs and activities that occur between September 1, 2017 and August 31, 2018.

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# **Application Deadline and Filing**

The deadline for STARTUP Support applications is **4:30 pm on March 1, 2017.** The Fiscal Year 2018 STARTUP Support application may be accessed at <u>artsdel.egrant.net</u>.

### **Grant Award Notification**

After all applications and interim reports have gone through a grant review process, the Delaware State Arts Council will make funding recommendations for Fiscal Year 2018 to the Division Director at the June 2017 Council meeting. The recommended grant awards will apply to Fiscal Year 2018 only. Applicants will be notified of final funding decisions after July 1, 2017, following the Council meeting and passage of the state budget. For details on the grant review process and appeals procedures, download the Division of the Arts Grant Review Process.

# **Grant Payment Procedures**

Grantees will be notified of awards via email, and payments will be issued according to the payment schedule issued with the award notice. Grantees may opt to receive payments through electronic fund transfer (recommended) by updating their information on Delaware's Substitute W-9 form.

# **Reporting Requirements**

Final Reports for FY2018 STARTUP grants must be submitted through <u>artsdel.egrant.net</u> to the Division of the Arts by September 30, 2018. Failure to submit a final report on time may result in forfeiture of the final payment (15%) of the grant award and may impact future funding.

#### Statement of Assurances

The Statement of Assurances is the contract that all Division grantees must sign. Grant applicants must indicate that their organization's authorizing official has read and agreed to the obligations of grant recipients should a grant be awarded. Receipt of state and federal grants carries with it certain obligations and responsibilities. By submitting a Division of the Arts grant application, applicants are affirming that they are familiar with the requirements of the Delaware Division of the Arts and the National Endowment for the Arts, as presented in the Division of the Arts Statement of Assurances, including but not limited to:

- Crediting the Division appropriately on all materials
- Keeping public events current on DelawareScene.com
- Notifying the Division of any significant changes to the programs, budget, or staff/board
- · Providing complimentary tickets for use by on-site evaluators
- Compliance with Accessibility Requirements
- Submitting all required Final Reports (all grantees) and Mid-Year Reports (Arts Trust grantees)

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